



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4977

Introduced 1/20/2006, by Rep. George Scully, Jr.

SYNOPSIS AS INTRODUCED:

220 ILCS 5/Art. XX heading new
220 ILCS 5/20-101 new
220 ILCS 5/20-102 new
220 ILCS 5/20-105 new
220 ILCS 5/20-110 new
220 ILCS 5/20-120 new

Amends the Public Utilities Act. Creates a new Article concerning retail electric competition. Requires the Illinois Commerce Commission to establish an Office of Retail Market Development and employ a Director of Retail Market Development. Sets forth the powers and duties of the Office. Requires the Director to present to the Commission, the General Assembly, and the Governor a detailed plan designed to promote retail electric competition for residential and small commercial electricity consumers. Requires the Commission to post the plan on its web site. Provides for a period of public comment on the plan. Effective immediately.

LRB094 16740 MKM 52011 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning public utilities.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by adding
5 Sections 20-101, 20-102, 20-105, 20-110, and 20-120 and the
6 heading of Article XX as follows:

7 (220 ILCS 5/Art. XX heading new)

8 ARTICLE XX. RETAIL ELECTRIC COMPETITION

9 (220 ILCS 5/20-101 new)

10 Sec. 20-101. This Article may be cited as the Retail
11 Electric Competition Act of 2006.

12 (220 ILCS 5/20-102 new)

13 Sec. 20-102. Findings and intent.

14 (a) A competitive wholesale electricity market alone will
15 not deliver the full benefits of competition to Illinois
16 consumers. For Illinois consumers to receive products, prices
17 and terms tailored to meet their needs, a competitive wholesale
18 electricity market must be closely linked to a competitive
19 retail electric market.

20 (b) To date, as a result of the Electric Service Customer
21 Choice and Rate Relief Law of 1997, thousands of large Illinois
22 commercial and industrial consumers have experienced the
23 benefits of a competitive retail electricity market.
24 Alternative electric retail suppliers actively compete to
25 supply electricity to large Illinois commercial and industrial
26 consumers with attractive prices, terms, and conditions.

27 (c) A competitive retail electric market does not yet exist
28 for residential and small commercial consumers. As a result,
29 millions of residential and small commercial consumers in
30 Illinois are faced with escalating heating and power bills and

1 are unable to shop for alternatives to the rates demanded by
2 the State's incumbent electric utilities.

3 (d) The General Assembly reiterates its findings from the
4 Electric Service Customer Choice and Rate Relief Law of 1997
5 that the Illinois Commerce Commission should promote the
6 development of an effectively competitive retail electricity
7 market that operates efficiently and benefits all Illinois
8 consumers.

9 (220 ILCS 5/20-105 new)

10 Sec. 20-105. Definitions. In this Article:

11 "Director" means the Director of the Office of Retail
12 Market Development.

13 "Office" means the Office of Retail Market
14 Development.

15 (220 ILCS 5/20-110 new)

16 Sec. 20-110. Office of Retail Market Development.

17 Within 90 days after the effective date of this amendatory
18 Act of the 94th General Assembly, the Commission shall
19 establish an Office of Retail Market Development and employ on
20 its staff a Director of Retail Market Development to oversee
21 the Office. The Director shall have authority to employ or
22 otherwise retain at least 2 professionals dedicated to the task
23 of actively seeking out ways to promote retail competition in
24 Illinois to benefit all Illinois consumers.

25 The Office shall actively seek input from all interested
26 parties and shall develop a thorough understanding and critical
27 analyses of the tools and techniques used to promote retail
28 competition in other states.

29 The Office shall monitor existing competitive conditions
30 in Illinois, identify barriers to retail competition for all
31 customer classes, and actively explore and propose to the
32 Commission and to the General Assembly solutions to overcome
33 identified barriers. Solutions proposed by the Office to
34 promote retail competition must also promote safe, reliable,

1 and affordable electric service.

2 On or before June 30 of each year, the Director shall
3 submit a report to the Commission, the General Assembly, and
4 the Governor, that details specific accomplishments achieved
5 by the office in the prior 12 months in promoting retail
6 electric competition and that suggests administrative and
7 legislative action necessary to promote further improvements
8 in retail electric competition.

9 (220 ILCS 5/20-120 new)

10 Sec. 20-120. Residential and small commercial retail
11 electric competition.

12 Within 12 months after the effective date of this
13 amendatory Act of the 94th General Assembly, the Director shall
14 conduct research, gather input from all interested parties and
15 develop and present to the Commission, the General Assembly,
16 and the Governor a detailed plan designed to promote, in the
17 most expeditious manner possible, retail electric competition
18 for residential and small commercial electricity consumers
19 while maintaining safe, reliable, and affordable service.
20 Interested parties shall be given the opportunity to review the
21 plan and provide written comments regarding the plan prior to
22 its submission to the Commission, the General Assembly, and the
23 Governor. Any written comments received by the Office shall be
24 posted on the Commission's web site. The final plan submitted
25 to the Commission, the General Assembly, and the Governor must
26 include summaries of any written comments and must also be
27 posted on the Commission's web site.

28 To the extent the plan calls for Commission action, the
29 Commission shall initiate any proceeding or proceedings called
30 for in the final plan within 60 days after receipt of the final
31 plan and complete those proceedings within 11 months after
32 their initiation.

33 Nothing in this Section shall prevent the Commission from
34 acting earlier to remove identified barriers to retail electric
35 competition for residential and small commercial consumers.

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.